



San Diego City Attorney **MICHAEL J. AGUIRRE**

NEWS RELEASE

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UNAUTHORIZED E-MAIL BY CITY'S MUNICIPAL EMPLOYEES UNION URGES EFFORT TO THWART CITY'S PENSION LAWSUIT

San Diego, CA--The head of the San Diego Municipal Employees Association (MEA) was warned by the City's Labor Relations Director that an e-mail sent to union members on August 6 was "in violation of Council Policy 300-06" regarding inappropriate use of the City's e-mail system to launch a political and media campaign against City Attorney Michael Aguirre in connection with the City's pension litigation.

The e-mail from MEA urges:

"Our friends on the Council have mentioned that it could really help them in reigning in the mad man if the newspaper starts getting hundreds of letters calling on the Mayor and the council to put an end to this horrible waste of tax dollars by not allowing the City Attorney to file any more lawsuits aimed at our pension benefits."

The communication cites collusion with certain City Council members and is signed by Judi Italiano:

"I know for many of you this task will turn your stomach--but the council members who I spoke with feel we have an opportunity to get a different dialogue started in the press..."

The pension benefits Ms. Italiano mentions are part of a massive pension debt that was immediately created in 1996 and 2002, as a result of the San Diego City Employees' Retirement System Board allowing the City of San Diego, by way of City Council action, to pay less than what was required to fully fund its pension obligations in exchange for granting retroactive pension benefit increases to employees.

These illegal actions, which violate the state Constitution and the City Charter requires a City to seek approval of voters before creating certain financial liabilities and establishes the "pay as you go" principle as a cardinal rule of municipal finance, have left the City's employee pension fund more than \$1 billion in the hole.

The City Attorney has been attempting to right this wrong in court in order to restore the health of the employee pension system.

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